

GLOBAL SETTLEMENT AGREEMENT AND MUTUAL GENERAL RELEASES

This Global Settlement Agreement and Mutual General Releases (the "Agreement") is made and entered into by and among Michele Varma and Rajat Varma (the "Plaintiffs") and the Town of Chapel Hill, Raymond Engineering, Inc., and Paula DiBiasio (the "Defendants"). When referred to collectively, the Plaintiffs and the Defendant will be referred to as the "Parties."

WHEREAS, Plaintiffs Michele and Rajat Varma entered into a contract to purchase a home at 118 Little Branch Trail, Chapel Hill, North Carolina from Defendant Paula DiBiasio;

WHEREAS, prior to the sale of said home, Defendant DiBiasio engaged Defendant Raymond Engineering to perform an inspection of a basement addition that had not been permitted;

WHEREAS, Defendant Raymond Engineering performed an as built inspection of the basement and prepared a letter for Defendant DiBiasio to provide to Defendant Town of Chapel Hill;

WHEREAS, on June 20, 2012, Defendant Town of Chapel Hill Inspector Bobby Pettiford provided a Certificate of Completion to Defendant DiBiasio for the basement addition;

WHEREAS, the Plaintiffs purchased the home located at 118 Little Branch Trail, Chapel Hill, North Carolina from Defendant DiBiasio on July 26, 2012;

WHEREAS, a dispute arose regarding the sufficiency of the Defendants' inspections and certification of the basement addition;

WHEREAS, the Plaintiffs brought an action against the Defendants in Orange County, North Carolina captioned as *Michele Varma and Rajat Varma v. Town of Chapel Hill, Raymond Engineering, Inc., and Paula DiBiasio*, 13-CV-000635 (the "Lawsuit");

WHEREAS, Defendant DiBiasio filed cross-claims for contribution and indemnity against Defendant Raymond Engineering and Defendant Town of Chapel Hill (the "Cross-Claims");

WHEREAS, since the filing of the Lawsuit, the Parties, represented by counsel, have participated in two mediated settlement conferences, the second of which occurred on October 28, 2014 and resulted in a binding, enforceable settlement between and among them, which agreement is memorialized herein;

WHEREAS, a genuine dispute and controversy existed between and among the Parties, however, the Parties have now reached a resolution of all claims;

WHEREAS, pursuant to and consistent with the settlement, the Parties have agreed to execute this Agreement;

WHEREAS, the Plaintiffs have agreed to dismiss the Lawsuit **with prejudice** upon the fulfillment of conditions set forth in this Agreement; and

WHEREAS, the Parties seek to **achieve peace**.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth herein, and for good and valuable consideration, the receipt, adequacy, and sufficiency of which are hereby acknowledged by the Parties, and evidenced by the signatures of each Party set forth below, each of the Parties confirms its obligations to the other Parties and agrees, promises and binds itself as follows.

1. SETTLEMENT PAYMENT BY THE DEFENDANTS.

On or before thirty (30) days after the Parties' execution of this Agreement, and in exchange and consideration for the mutual releases contained herein, and the dismissal of the Lawsuit with prejudice, a total, one-time, global, aggregate payment of SIXTY-THREE THOUSAND FOUR HUNDRED AND SEVENTY-FIVE DOLLARS AND 00/100 CENTS (\$63,475.00) shall be made by or on behalf of the Defendants as set forth below, to be paid by company checks from the Defendants, the Defendants' insurers, or the trust accounts of the Defendants' defense counsel.

- a. The Settlement Funds shall be payable to Plaintiffs as repayment for property loss as follows:
 - i. By or on behalf of Defendant DiBiasio, \$5,475.00 shall be paid to the trust account of Mainsail Lawyers on behalf of Plaintiffs Michele and Rajat Varma.
 - ii. By or on behalf of Defendant Town of Chapel Hill, \$25,000.00 shall be paid to the trust account of Mainsail Lawyers on behalf of Plaintiffs Michele and Rajat Varma.
 - iii. By or on behalf of Defendant Raymond Engineering, \$33,000.00 shall be paid to the trust account of Mainsail Lawyers on behalf of Plaintiffs Michele and Rajat Varma.

Upon payment of the Settlement Funds as set forth above, once said checks are approved and paid to the trust account of Mainsail Lawyers by the payor bank(s), the Defendants and their insurers are discharged from further involvement or administration of the Settlement Funds, including but not limited to their allocation between and among the Plaintiffs. Mainsail Lawyers shall be authorized to distribute the settlement payment to Plaintiffs upon the filing of a Stipulation of Dismissal of all claims against all the Defendants that have been asserted in this civil action.

2. DISMISSALS WITH PREJUDICE.

Within ten (10) days of receipt of the Defendants' settlement payment, provided Defendants' checks issued as payment of the Settlement Funds are approved and paid to the trust account of Mainsail Lawyers by the payor banks, the Plaintiffs shall dismiss the Lawsuit **with prejudice**, pursuant to the North Carolina Rules of Civil Procedure 41(a)(1) by filing a Stipulation of Dismissal of all claims against all the Defendants that have been asserted in this civil action. Within the same time, Defendant DiBiasio shall also dismiss the Cross-Claims against Defendant Raymond Engineering and Defendant Town of Chapel Hill **with prejudice**, pursuant to Rule 41(a)(1) of the North Carolina Rules of Civil Procedure by filing a Stipulation of Dismissal.

3. MUTUAL RELEASE OF CLAIMS.

In exchange for the consideration set forth above and for other good and valuable consideration, the sufficiency of which is hereby agreed and confirmed, Michele Varma, her heirs, representatives, successors, and assigns, and Rajat Varma, his heirs, representatives, successors, and assigns do hereby irrevocably and unconditionally release, acquit, and forever discharge Defendants, as well as their heirs, representatives, agents, employees, officials, attorneys, insurers, reinsurers, successors, and assigns and Bruce Raymond from any and all claims, demands, causes of action, suits, and liabilities from the beginning of time until the date of this Agreement that the Plaintiffs may have against them. In exchange for the consideration set forth above and for other good and valuable consideration, the sufficiency of which is hereby agreed and confirmed, the Town of Chapel Hill, Raymond Engineering, Bruce Raymond, and Paula DiBiasio, their heirs, representatives, successors, and assigns do hereby irrevocably and unconditionally release, acquit, and forever discharge Plaintiffs, the Defendants, and Bruce Raymond, as well as their respective heirs, representatives, agents, employees, officials, attorneys, insurers, reinsurers, successors, and assigns, from any and all claims, counterclaims, cross-claims, demands, causes of action, suits, and liabilities from the beginning of time until

the date of this Agreement. This Release includes any and all claims, cross-claims, demands, causes of action, suits, and liabilities of every kind, character, and description whatsoever, both legal and equitable, under federal or state statutes or common law, whether known or unknown, as well as those claims which were or could have been included in the Lawsuit. However, nothing herein is intended to release claims which may arise pursuant to this Agreement or after the date on which this Agreement is executed save for those claims that arise from, out of, or are otherwise related to the Lawsuit, which are hereby released.

4. NO ADMISSION.

Nothing contained in the terms of the Agreement, nor the execution of the Agreement, shall be deemed to constitute or be construed to be an admission of liability by any Party with respect to any of the allegations, claims, or defenses asserted by any Party in the Lawsuit, or in defense of the Lawsuit; each Party to this Agreement expressly denies all allegations against it. Each of the Parties agrees that it is entering into this Agreement to settle the disputes encompassed in this Agreement solely as a business decision for the purposes of avoiding the further cost of litigation with respect to those disputes.

5. NO RE-FILING OR REINSTATEMENT OF THE LAWSUIT FOR BREACH OF THIS AGREEMENT.

In the event of a breach of this Agreement by any Party, the non-breaching Party shall be strictly limited to pursuing an action solely for enforcement of this Agreement, and neither Party shall be entitled to ever reinstitute, reinstate, re-file, or pursue any of the original claims, causes of action, or counterclaims or causes of action that were or could have been pursued in the Lawsuit.

6. EACH PARTY RESPONSIBLE FOR ITS OWN COSTS AND FEES.

Each of the Parties agrees that the releases herein shall include a release of legal claims to recover its attorneys' fees and costs arising from the Lawsuit. Each Party shall bear and be responsible for its own attorneys' fees, expert witness fees, and all litigation and taxable costs.

7. BINDING EFFECT.

The Agreement shall be binding upon and inure to the benefit of each of the Parties and their respective heirs, representatives, successors, assigns, and their respective officers, directors, shareholders, owners, partners, members, divisions, subsidiaries, parent companies, related entities, employees, agents and attorneys, and the predecessors, heirs, executors, administrators and successors.

8. ENTIRE AGREEMENT.

This document sets forth the entire consideration of and for the Agreement, which consideration is contractual and not a mere recital. All agreements and understandings among the Parties are embodied and expressed herein. The Parties expressly warrant that no promise or inducement has been offered except as set forth herein. The Agreement is not executed in reliance upon any statement or representation of any person or party, or their representative. The Agreement embodies, merges, and integrates all prior and current agreements and understandings of the Parties. The terms of this Agreement may not be clarified, altered, amended, modified, or otherwise changed in any respect whatsoever except in writing signed by each of the Parties hereto.

9. CONSTRUCTION.

The Agreement shall be construed without regard to the identity of the drafter and therefore shall not be construed against the drafting Party. The paragraph headings in the Agreement shall not bear independent meaning, and shall be disregarded in the construction of any provision, term, or condition of the Agreement.

10. SEVERABILITY.

If any paragraph, or any part of any paragraph, of this Agreement is held by a court of competent jurisdiction to be void or unenforceable, such paragraph or such part of any paragraph shall be stricken and all remaining portions of the Agreement shall continue in effect and not be affected by such finding.

11. GOVERNING LAW.

The Agreement shall be construed and governed by the internal, substantive laws of the State of North Carolina, without consideration or application of choice of law authorities. Any dispute between the Parties that is related to or any way arises from this Agreement will and must be resolved only in a court of competent jurisdiction in the State of North Carolina.

12. COUNTERPART EXECUTION – FACSIMILE SIGNATURES.

The Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which shall, when collated together, constitute one and the same Agreement. Any Party may execute the Agreement by execution of a signature page transmitted by facsimile or electronic image of a signature page transmitted by email, and each signature transmitted by facsimile or electronic image transmitted by email shall be deemed to be an original signature. Each person signing the Agreement represents hereby that he or she has the authority to execute the Agreement for the Party for whom such person is signing.

13. NO ASSIGNMENT.

Each of the Parties hereto warrants and represents that as of the effective date of this Agreement, the Party has not assigned, conveyed, pledged, or otherwise transferred or encumbered any claim, demand, cause of action, right, or obligation that constitutes a claim or counterclaim in the Lawsuit to any other person or entity.

14. EXECUTION OF ADDITIONAL DOCUMENTS.

Each of the Parties agrees that they will execute any and all additional documents necessary to effectuate the intended purpose of this Agreement.

15. REPRESENTATION AND VOLUNTARY EXECUTION.

Each of the Parties represents that they have read and reviewed this Agreement and enter into this Agreement voluntarily, upon advice of counsel, and on their own accord, and represents and warrants that they are under no duress or coercion in entering into this Agreement. The person who has signed this Agreement on behalf of a Party is authorized by such Party to do so, and by signing this Agreement, personally represents and warrants that he or she is authorized to bind the Party to its terms.

THE UNDERSIGNED REPRESENT AND ACKNOWLEDGE THAT THEY HAVE CAREFULLY READ THE ENTIRE AGREEMENT, HAVE SECURED THE ADVICE OF

COUNSEL, UNDERSTAND THE AGREEMENT AND ITS CONSEQUENCES, AND KNOWINGLY AND VOLUNTARILY ENTER INTO IT.

WE AGREE, ACKNOWLEDGE, AND PROMISE AS SET FORTH ABOVE IN THIS AGREEMENT:

[SIGNATURE PAGES TO FOLLOW]

Rajat Varma

by:

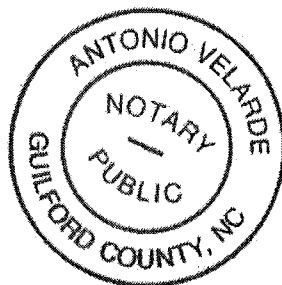
[Signature]
Signature

RAJAT VARMA
Printed Name

State of North Carolina

County of Orange

I, Antonio Velarde, a Notary Public of the County and State aforesaid, do hereby certify that
Rajat Varma personally came before me this day and acknowledge that he, being
authorized to do so, executed the foregoing on behalf of Rajat Varma. Witness my hand and seal the
21st day of November 2014.



[Signature]
Notary Public
ANTONIO VELARDE
Handwritten or Typed Name

My Commission Expires: 7/15/18

Michele Varma

by:

Signature

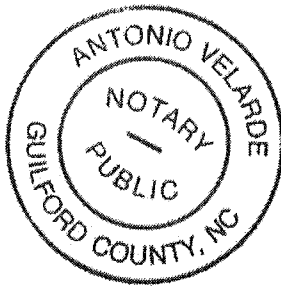
Michele Varma

Printed Name

State of North Carolina

County of Orange

I, Antonio Velarde, a Notary Public of the County and State aforesaid, do hereby certify that Michele Jalbert Varma personally came before me this day and acknowledge that she, being authorized to do so, executed the foregoing on behalf of Michele Varma. Witness my hand and seal the 21st day of November 2014.

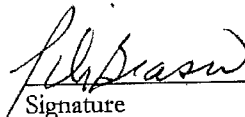


Notary Public

Antonio Velarde
Handwritten or Typed Name

My Commission Expires: 7/15/19

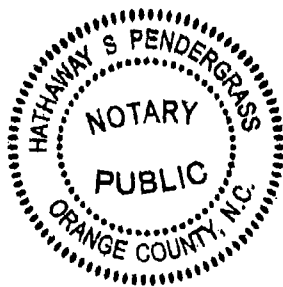
Paula DiBiasio

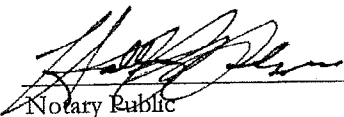
by: 
Signature
Paula DiBiasio
Printed Name

State of North Carolina

County of Orange

I, Hathaway S. Pendergrass, a Notary Public of the County and State aforesaid, do hereby certify that
Paula DiBiasio personally came before me this day and acknowledge that she, being
authorized to do so, executed the foregoing on behalf of Paula DiBiasio. Witness my hand and seal the
5th day of December 2014.




Notary Public
Hathaway S. Pendergrass
Handwritten or Typed Name

My Commission Expires: 10/15/17

The Town of Chapel Hill

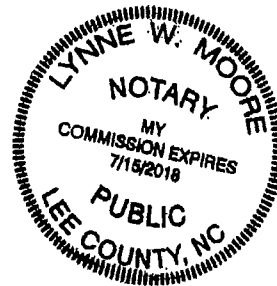
by:

Signature

its:

Title

Printed Name



State of N.C.

County of Orange

I, Lynne W. Moore, a Notary Public of the County and State aforesaid, do hereby certify that
Roger L. Stancil personally came before me this day and acknowledge that he/she, being
authorized to do so, executed the foregoing on behalf of the Town of Chapel Hill. Witness my hand and seal
the 12th day of December 2014.

Lynne W. Moore
Notary Public

Lynne W. Moore
Handwritten or Typed Name

My Commission Expires: 7/15/2018

Raymond Engineering, Inc.

by:

Bruce Raymond
Signature

its:

PRESIDENT
Title

BRUCE RAYMOND
Printed Name

State of North Carolina

County of Wake

I, Whitney B. Hill, a Notary Public of the County and State aforesaid, do hereby certify that
Bruce Raymond personally came before me this day and acknowledge that he/she, being
authorized to do so, executed the foregoing on behalf of Raymond Engineering, Inc. Witness my hand and
seal the 3rd day of December 2014.



Whitney B Hill
Notary Public

Whitney B. Hill
Handwritten or Typed Name

My Commission Expires: 6-28-2019